



STATE OF MICHIGAN

JOHN ENGLER
GOVERNOR

DEPARTMENT OF COMMUNITY HEALTH
LANSING

JAMES K. HAVEMAN, JR.
DIRECTOR

December 2002

Dear Nursing Facility Provider and Billing Staff,

This letter provides important information related to the conversion to national standard claim formats being implemented by the Michigan Department of Community Health (MDCH) on January 1, 2003. Please share it with the individuals or vendor responsible for preparing your Medicaid claims.

Over the past few months, many Nursing Facility providers and billing vendors have participated in the provider acceptance test (PAT) process. Through this process, the Department has compiled a list of the most common errors that result in UB-92 or ASC X12N 837 claims being delayed or rejected.

Electronic Claim Completion Errors:

- Incorrect physician ID number sets Edit 137. *Re-submit the claim with the correct physician ID number.*
- The claim line date of service and the quantity billed disagree, setting Edit 294. *Check the discharge status code, the claim line date of service and quantity billed before re-submitting the claim.*
- Missing claim line date(s) of service for ancillary services sets Edit 155 and/or 185. *Be sure to include the claim line date of service when billing ancillary services.*
- Missing HCPCS code for claim line ancillary services sets Edit 092. *Re-submit the claim with the correct HCPCS code.*
- Incorrect diagnosis code sets Edit 041 and/or 061. *You must bill using the correct ICD-9-CM diagnosis code.*
- Incorrect electronic billing authorization on file with MDCH sets Edit 013. *If you are an electronic biller, verify authorization on file.*
- Missing discharge status code sets Edit 264. *Refer to the State Uniform Billing Manual and re-submit the claim using a valid discharge status code.*
- MDCH shows Medicare Part B coverage for ancillary services and sets Edit 320. *You must report the correct Medicare Part B payment for ancillary services.*

Paper Claim Formatting and Completion Errors:

- Extra spaces on Dollar Amounts
- Alignment problems
- Use of Special Characters
- Use of White-out
- Dot Matrix Printer
- Font size and type
- Incorrect Physician ID number sets Edit 137. *Re-submit the claim with the correct physician ID number.*
- Missing admission date sets Edit 164. *You must show the most recent facility admission date.*
- The admission date after the date of service sets Edit 166. *You must report the correct admission date.*
- The claim line date of service and the quantity billed disagree, setting Edit 294. *Check the discharge status code, the claim line date of service and quantity billed before re-submitting the claim.*

New Edits for Nursing Facility Claims

- Edit 994 sets if there is an invalid relationship between the Medicare payment and the co-insurance deductible. *You must bill with the correct information.*
- Edit 205 sets if the resident has commercial insurance that must be billed for daily care. *You must bill the commercial carrier for daily care before re-submitting the claim to Medicaid.*
- Edit 204 sets if MDCH records reflect commercial insurance in addition to Medicare A and B, and the claim does not indicate other insurance has been billed. *The claim will be reviewed by MDCH third party liability staff.*
- Edit 206 sets if MDCH records reflect there may be possible other insurance. *The claim will be reviewed by MDCH third party liability staff for possible other insurance.*
- Edit 952 sets if the number of co-insurance days billed exceeds the claim line quantity of days. *You must bill the correct number of co-insurance days with the daily revenue code quantity.*

If you have additional questions regarding provider testing, contact the following: **Vicki Huff** at (517) 241-8626 or e-mail huffv@michigan.gov, or **Jill Forbes** at (517) 335-0015 or e-mail ForbesJill@michigan.gov.

MDCH reminds all providers who intend on submitting electronic claims that you must complete authorization forms for electronic billing before you submit electronic Medicaid claims. For additional information, contact the MDCH Billing Unit for an application packet or e-mail: AutomatedBilling@michigan.gov, or call the Information Line: 1-800-292-2550.

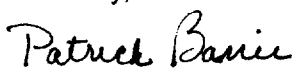
Assistance After January 1, 2003

To assist providers following the transition to the new claim formats, the MDCH has scheduled claim resolution sessions for Nursing Facilities. These sessions are to assist providers in understanding claim errors that have resulted in rejected claims and how to correct them. The sessions are scheduled for the following dates:

Dates: January 16, 23 and 30, 2003
February 6, 13, 20 and 27, 2003
Place: Michigan Public Health Institute (MPHI)
Interactive Learning Center
2436 Woodlake Circle, Ste. 380
Okemos, MI 48864
Time: 1:00PM – 4:00PM

If attending a session, you must bring all documentation (e.g. a copy of the claim, the remittance advice, prior authorization forms, etc.) related to the rejected or pended claim(s) with which you would like assistance. The MDCH staff will not have computer access available to them during the session. If you would like to register for a session, need driving directions, or a copy of the Nursing Facility billing information from recent training sessions, please contact Marcia at MPHI at (517) 324-7379, or e-mail her at mlynch@mphi.org. You may also call the provider inquiry line at 1-800-292-2550, or e-mail questions to ProviderSupport@michigan.gov. Information regarding the billing changes for Nursing Facilities is also available on the MDCH website at www.michigan.gov/mdch click on Providers, Information for Medicaid Providers, Michigan Medicaid Uniform Billing Project.

Cordially,



Patrick Barrie, Deputy Director for
Health Programs Administration